

## **ALLIANZ MALAYSIA BERHAD (12428-W) (“AMB” or “Company”)**

Minutes of the 45th Annual General Meeting (“Meeting”) of the Company held at Grand Ballroom, Level 2, Aloft Kuala Lumpur Sentral, 5, Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Thursday, 30 May 2019 at 11.05 a.m.

PRESENT : **Board of Directors**  
Tan Sri Datuk (Dr.) Rafiah Binti Salim (“Chairman”)  
Foo San Kan  
Dato’ Dr. Thillainathan A/L Ramasamy  
Tunku Zain Al-’Abidin Ibni Tuanku Muhriz  
Marzida Binti Mohd Noor

Management  
Shareholders and proxies  
(as per attendance list)

IN ATTENDANCE : Company Secretary

The Chairman welcomed shareholders, proxies and invitees to the Meeting.

### **1. QUORUM**

There being a quorum, the Meeting was duly convened.

The Chairman introduced members of the Board, the Management Team comprising the Chief Executive Officers (“CEO(s)”) of the Company and its insurance subsidiaries and the Chief Financial Officer (“CFO”) as well as the Company Secretary who were in attendance.

The Chairman welcomed the representative from Messrs PricewaterhouseCoopers PLT, namely Manjit Singh to the Meeting.

The Chairman informed that based on the Record of Depositors as at 21 May 2019, being the cut-off date for determining who should be entitled to attend the Meeting, there were 2,467 shareholders holding 176,767,589 ordinary shares in the Company. The Chairman further informed that the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd (“TIH”) confirmed that there were 359 members present in person or by proxy at the Meeting.

The Chairman informed that the voting at the Meeting would be conducted on a poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Chairman further informed that the Company had appointed TIH as the poll administrator to conduct the poll by way of electronic polling and BDO Consulting Sdn Bhd (“BDO”) as the independent scrutineer to verify the poll results.

The Chairman mentioned that the shareholders as projected on the screen have appointed her as their proxy and she would vote in accordance with their directives.

## 2. **NOTICE OF MEETING**

The Chairman with the permission of the members present at the Meeting declared that the Notice of Meeting dated 30 April 2019 was taken as read.

## 3. **AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 AND THE DIRECTORS' AND AUDITORS' REPORTS**

The Chairman tabled the Audited Financial Statements for the financial year ended ("FYE") 31 December 2018 and the Directors' and Auditors' Reports.

The Chairman invited the Management to present the financial highlights of AMB and its insurance subsidiaries ("Group").

The presentation covered the following topics were made by following members of the Management to the shareholders:-

- (a) 2018 financial highlights of the Group and Dividend Returns to Shareholders presented by Ong Eng Chow ("Charles"), the CFO of the Company;
- (b) Financial highlights and transformation of the general insurance business presented by Zakri Bin Mohd Khir ("Zakri"), the CEO of the Company and Allianz General Insurance Company (Malaysia) Berhad ("Allianz General");
- (c) Financial highlights and transformation of the life insurance business presented by Joseph Kumar Gross ("Joe"), the CEO of Allianz Life Insurance Malaysia Berhad ("Allianz Life"); and
- (d) Renewal Agenda 2.0 of the Group presented by Joe.

The Chairman invited questions from the floor.

Chiew Sing Cheong, shareholder of the Company, raised the following questions:-

- (a) He made reference to the news reported in the local press that the Company is in negotiation with AmBank to acquire its insurance arm ("News") and enquired of the latest update of the News.
- (b) He expressed his appreciation of the recent payment of an interim dividend of 40 sen per ordinary share and enquired whether the dividend payout rate will be maintained or improved moving forward.

With regard to the News, Zakri informed that the Company did not make any announcement in respect thereto. It was purely a speculation in the market.

On the dividend payout of AMB, Charles informed that the dividend payout of 40 sen per ordinary share was a record high dividend, which represented the dividend payout ratio of 40.3% for FYE 2018. The dividend capacity of AMB is dependent on dividends stream from the insurance subsidiaries, which requires regulatory approval, and satisfies regulatory solvency requirements and new business growth financing. The Group has reached maturity and is prepared to set a target of dividend payout ratio of approximately 30% moving forward, subject to meeting the regulatory solvency requirements and new business growth financing.

Wong Chin Won, shareholder of the Company, commented that Zakri has been appointed in few positions with the government agencies, among others, Social Security Organisation. He enquired whether there would be any conflict of interest between such appointments and the Group.

The Chairman informed that prior to Zakri's appointment to the government agencies ("Appointments"), the Board has reviewed and satisfied that there were no conflict of interests arising from his Appointments and his position in the Group, and that Zakri has the ability and capacity in managing the affairs of AMB and Allianz General, and his Appointments will not compromise his performance as CEO of AMB and Allianz General.

The Chairman added that the Board was grateful and honoured for the trust that the Government puts on Zakri of his ability to contribute to the development of the government agencies. She further informed that Zakri did not receive any compensation for his Appointments, he accepted appointment with the aim purely to serve the nation. She assured that the Group will not take advantage of Zakri's Appointments. In addition, this is also under the supervision of the regulator.

Chua Chia Cheng, shareholder of the Company, congratulated the Board for the commendable results for FYE 2018. He enquired on the potential market growth and future market share that can be possibly acquired by the Group.

In response thereto, Zakri informed that the Group has always performed comparably with the market and has the ability to outperform competitors even during difficult market conditions. The Group's focus is not just on the top-line growth but rather on strengthening its underlying profit to generate a favourable return to the shareholders. In this respect, the general insurance business will continue to generate underwriting profit, while the life insurance business will create more profitable business moving forward. It will be difficult to quantify future market growth but as long as the market remains sizeable, the Group will continue to expand its market share to the extent possible.

Choong Fook Khing ("CFK"), shareholder of the Company, raised the following matters:-

- (a) The Group appeared to have more focus on the life insurance business, in view of its contribution to the Group. Nevertheless, the investment in property of Allianz Life seemed to be underweight, as compared to its competitors in the markets which tend to focus on property investment given its long-term growth and a more assuring return over a period of time. He enquired whether Allianz Life will consider to focus more on property investment for its business expansion.
- (b) He further enquired on the future targets to be achieved by Allianz Life, in line with its future business growth.
- (c) He was of the view that it will be good for the Group to explore areas that could project steady growth. He enquired whether there is any opportunity, through

Allianz SE, to explore business association with foreign insurance company, e.g. Berkshire Hathaway Inc. ("BHI").

In response to CFK's first question, Charles informed that the investment activities of Allianz Life are made by considering multitude factors, among others, risk appetite and fund liabilities, in accordance with the fund's investment mandate. The property investment had been included as a class of investment in Allianz Life's investment portfolio. However, the Management has evaluated that investment in property is unfavourable and is not capital efficient with regard to fulfilling the capital adequacy requirements.

Zakri added that as the Group operates in a capital preservation environment, the Group will not engage in risky portfolio, which may potentially trigger solvency issue. The investment portfolio of the Group is conservative because the Management aims to generate more profit through the Group's insurance operations. Although investment returns are crucial to the life insurance business, it should not be the sole avenue of profit generation. The Group may not be benefited during peak market condition but it will maintain a steady, long-term and sustainable growth in the long run.

On the future targets to be achieved by Allianz Life, Joe explained that future growth can be projected based on previous growth trajectory. Under a saturated market condition, it would be difficult to commit a high level of growth in the business. Nonetheless, if Allianz Life stays the course and its strategies pay off, e.g. outstanding agency distribution, simplification in customer experience, and regulatory environment and market continue to be supportive, Allianz Life should achieve noticeable growth in the future. As part of the effort to project for future growth, ALIM Baru, an operational transformation plan of Allianz Life, was introduced as a cornerstone to drive for greater productivity and efficiency in the near future.

On the same note, Zakri informed that although it is a depressed market currently, growth will return when the economy improved. He further informed that the Group is prepared for the next cycle of market development and will preserve sufficient capital to sustain through each business cycle.

In response to CFK's third question, Zakri informed that BHI operates only as a reinsurer and is also a competitor to Allianz SE Group. The business model of BHI is substantially different from the Group, as BHI reinsures huge catastrophe risk, its profitability can be highly volatile.

Chiew Sing Cheong ("CSC"), shareholder of the Company, made reference to the visibility enhancing material given as door gift previously and suggested that it could serve as a good advertising tool for the Group, if it is giveaway to customers who purchased motor insurance products. Zakri thanked CSC for his suggestion and informed that the Management will consider his suggestion.

Since there was no further question raised, the Chairman proceeded to the next item of the agenda.

**4(a) PAYMENT OF DIRECTORS' FEES FOR THE COMPANY AND ITS INSURANCE SUBSIDIARIES**

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The Chairman tabled the Ordinary Resolution 1 under item 2(a) of the agenda on payment of Directors' fees to the Non-Executive Directors of the Group, excluding the Nominee Directors of Allianz SE, amounting to RM2,280,575 for FYE 2018, for the shareholders' consideration.

The Ordinary Resolution 1 was duly proposed by Manogari S Murugiah and seconded by Mok Kian Tong.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 1 would be conducted upon completion of the remaining business of the Meeting.

**4(b) PAYMENT OF DIRECTORS' REMUNERATION (EXCLUDING DIRECTORS' FEES) TO THE NON-EXECUTIVE DIRECTORS OF THE COMPANY AND ITS INSURANCE SUBSIDIARIES**

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The Chairman tabled the Ordinary Resolution 2 under item 2(b) of the agenda on payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors of the Group, excluding the Nominee Directors of Allianz SE, up to an amount of RM1,127,635 from 31 May 2019 until the next Annual General Meeting of the Company, for the shareholders' consideration.

The Ordinary Resolution 2 was duly proposed by Janny Ng Siew Leng and seconded by Chin Yien Ping.

The Chairman invited question from the floor.

Since there was no further question raised, the Chairman informed that the poll vote on Ordinary Resolution 2 would be conducted upon completion of the remaining business of the Meeting.

**5. RE-ELECTION OF DIRECTOR WHO RETIRES BY ROTATION IN ACCORDANCE WITH ARTICLE 96 OF THE ARTICLES OF ASSOCIATION (CONSTITUTION) OF THE COMPANY**

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The Chairman informed that Ordinary Resolution 3 was to consider her re-election in accordance with Article 96 of the Articles of Association (Constitution) of the Company. Since she was the interested party to the resolution, the Chairman proposed that Foo San Kan ("FSK") to chair the proceedings of Ordinary Resolution 3.

The Chairman with the permission of the Meeting handed the chairmanship of the Meeting to FSK.

FSK tabled Ordinary Resolution 3 in respect of the re-election of Tan Sri Datuk (Dr.) Rafiah Binti Salim who retired by rotation in accordance with Article 96 of the Articles of Association (Constitution) of the Company and being eligible, offers herself for re-election, for the shareholders' consideration.

The Ordinary Resolution 3 was duly proposed by Chan Miew Sum and seconded by Malathy A/P Ramakrishnan.

FSK invited question from the floor.

Since there was no question raised, FSK informed that the poll vote on Ordinary Resolution 3 would be conducted upon completion of the remaining business of the Meeting.

FSK handed over the chair of the Meeting to Tan Sri Datuk (Dr.) Rafiah Binti Salim.

**6. RE-ELECTION OF DIRECTORS WHO RETIRE BY ROTATION IN ACCORDANCE WITH ARTICLE 102 OF THE ARTICLES OF ASSOCIATION (CONSTITUTION) OF THE COMPANY**

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The Chairman tabled item 4 of the agenda which was to consider the re-election of the Directors who retired by rotation in accordance with Article 102 of the Articles of Association (Constitution) of the Company.

**6(a) Re-election of Marzida Binti Mohd Noor**

The Chairman tabled Ordinary Resolution 4 in respect of the re-election of Marzida Binti Mohd Noor who retired by rotation in accordance with Article 102 of the Articles of Association (Constitution) of the Company and being eligible, offers herself for re-election, for the shareholders' consideration.

The Ordinary Resolution 4 was duly proposed by Malathy A/P Ramakrishnan and seconded by Fong Weng Yu.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 4 would be conducted upon completion of the remaining business of the Meeting.

**6(b) Re-election of Solmaz Altin**

The Chairman tabled Ordinary Resolution 5 in respect of the re-election of Solmaz Altin who retired by rotation in accordance with Article 102 of the Articles of Association (Constitution) of the Company and being eligible, offers himself for re-election, for the shareholders' consideration.

The Ordinary Resolution 5 was duly proposed by Tamil Selvi A/P Shanmugam and seconded by Lee Chi Kwan.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 5 would be conducted upon completion of the remaining business of the Meeting.

**6(c) Re-election of Renate Wagner**

The Chairman tabled Ordinary Resolution 6 in respect of the re-election of Renate Wagner who retired by rotation in accordance with Article 102 of the Articles of Association (Constitution) of the Company and being eligible, offers herself for re-election, for the shareholders' consideration.

The Ordinary Resolution 6 was duly proposed by Chin Yien Ping and seconded by Mok Kian Tong.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 6 would be conducted upon completion of the remaining business of the Meeting.

**7. RE-APPOINTMENT OF AUDITORS**

The Chairman tabled the Ordinary Resolution 7 under item 5 of the agenda on the re-appointment of Messrs PricewaterhouseCoopers PLT as the Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Directors to fix their remuneration, for the shareholders' consideration.

The Ordinary Resolution 7 was duly proposed by Lee Chi Kwan and seconded by Manogari S Murugiah.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 7 would be conducted upon completion of the remaining business of the Meeting.

**8. PROPOSED SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH ALLIANZ SE GROUP**

The Chairman tabled the following Ordinary Resolution 8 for the shareholders' consideration:-

"THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions with Allianz SE Group as specified in Section 2.2 (A) of the Company's Circular to Shareholders dated 30 April 2019, provided that the transactions are in the ordinary course of business and are on terms

not more favourable than those generally available to the public and not to the detriment of the minority shareholders.

AND THAT such authority shall take effect from the passing of this Ordinary Resolution and shall continue in force until:

- (a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by ordinary resolution passed at the said Annual General Meeting, the authority is renewed; or
- (b) the expiration of the period within which next Annual General Meeting is required to be held pursuant to Section 340 (2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Companies Act 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing all documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

The Ordinary Resolution 8 was duly proposed by Chan Miew Sum and seconded by Janny Ng Siew Leng.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 8 would be conducted upon completion of the remaining business of the Meeting.

**9. PROPOSED SHAREHOLDERS’ MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS WITH RAPIDPRO CONSULTING SDN BHD**

The Chairman tabled the following Ordinary Resolution 9 for the shareholders’ consideration:-

“THAT pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given to the Company and/or its subsidiaries to enter into the recurrent related party transactions with Rapidpro Consulting Sdn Bhd as specified in Section 2.2 (B) of Part A of the Company’s Circular to Shareholders dated 30 April 2019, provided that the transactions are in the ordinary course of business and are on terms not more favourable than those generally available to the public and not to the detriment of the minority shareholders.

AND THAT such authority shall take effect from the passing of this Ordinary Resolution and shall continue in force until:



- (a) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless by ordinary resolution passed at the said Annual General Meeting, the authority is renewed; or
- (b) the expiration of the period within which next Annual General Meeting is required to be held pursuant to Section 340 (2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340 (4) of the Companies Act 2016); or
- (c) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND THAT the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things including executing all documents as may be required to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

The Ordinary Resolution 9 was duly proposed by Fong Weng Yu and seconded by Manogari S Murugiah.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Ordinary Resolution 9 would be conducted upon completion of the remaining business of the Meeting.

## **10. PROPOSED ADOPTION OF THE NEW CONSTITUTION OF THE COMPANY**

The Chairman tabled the following Special Resolution 1 for the shareholders' consideration:-

“THAT subject to the approval being obtained from the irredeemable convertible preference share holders, approval be and is hereby given to revoke the existing Memorandum and Articles of Association of the Company with immediate effect and in place thereof, the proposed new Constitution of the Company as set out in Appendix III of Part B of the Company's Circular to Shareholders dated 30 April 2019 AND THAT the Directors be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the proposed new Constitution of the Company.”

The Chairman informed that the aforementioned Special Resolution was subject to the approval being obtained from the holders of Irredeemable Convertible Preference Share (“ICPS”).

The Chairman further informed that the aforementioned Special Resolution was carried at the ICPS Holders' Meeting held earlier today.

The Special Resolution 1 was duly proposed by Mok Kian Tong and seconded by Malathy A/P Ramakrishnan.

The Chairman invited question from the floor.

Since there was no question raised, the Chairman informed that the poll vote on Special Resolution 1 would be conducted upon completion of the remaining business of the Meeting.

**11. OTHER BUSINESS**

The Chairman informed that she has been advised that the Company did not receive any notice of other business to be transacted at the Meeting.

**12. ELECTRONIC POLLING PROCEDURES**

The Chairman declared that the registration for the attendance at the Meeting is closed at 12.02 p.m. She called upon Lilian Low ("Lilian"), representative from TIIH, to brief the members on the electronic polling process ("e-Polling Process").

Lilian referred the members to TIIH's tutorial video on the e-Polling Process which was played at the Meeting prior to the commencement of electronic polling.

The Chairman adjourned the Meeting at 12.05 p.m. for 20 minutes to facilitate the polling process and poll vote counts.

The Chairman highlighted that an enquiry box was placed at the registration counter and shareholders were welcomed to submit their questions, the Management would response to the questions within 7 working days.

**13. ANNOUNCEMENT OF POLL RESULTS**

The Chairman called the Meeting to order at 12.25 p.m. for the declaration of poll results. She informed that the poll results as projected on the screen have been verified by the independent scrutineer, BDO.

Based on the poll results verified by BDO, the Chairman declared all resolutions carried, as detailed below:-

**(a) Ordinary Resolution 1**

Payment of Directors' fees of RM2,280,575 for the FYE 2018.

The poll result in respect of Ordinary Resolution 1 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 1	140,561,004	99.858	200,000	0.142

**(b) Ordinary Resolution 2**

The Directors' remuneration (excluding Directors' fee) of up to an amount of RM1,127,635 from 31 May 2019 until the next Annual General Meeting of the Company.

The poll result in respect of Ordinary Resolution 2 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 2	139,319,104	98.976	1,441,900	1.024

**(c) Ordinary Resolution 3**

Re-election of Tan Sri Datuk (Dr.) Rafiah Binti Salim as Director of the Company in accordance with Article 96 of the Articles of Association (Constitution) of the Company.

The poll result in respect of Ordinary Resolution 3 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 3	135,465,782	99.988	16,700	0.012

**(d) Ordinary Resolution 4**

Re-election of Marzida Binti Mohd Noor as Director of the Company in accordance with Article 102 of the Articles of Association (Constitution) of the Company.

The poll result in respect of Ordinary Resolution 4 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 4	140,756,704	99.997	4,300	0.003

**(e) Ordinary Resolution 5**

Re-election of Solmaz Altin as Director of the Company in accordance with Article 102 of the Articles of Association (Constitution) of the Company.

The poll result in respect of Ordinary Resolution 5 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 5	140,531,904	99.837	229,100	0.163

(f) **Ordinary Resolution 6**

Re-election of Renate Wagner as Director of the Company in accordance with Article 102 of the Articles of Association (Constitution) of the Company.

The poll result in respect of Ordinary Resolution 6 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 6	140,552,104	99.852	208,900	0.148

(g) **Ordinary Resolution 7**

Re-appointment of Messrs PricewaterhouseCoopers PLT as Auditors of the Company for the financial year ending 31 December 2019 and authority to the Directors to fix their remuneration.

The poll result in respect of Ordinary Resolution 7 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 7	140,745,204	99.989	15,800	0.011

(h) **Ordinary Resolution 8**

Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Allianz SE Group.

The poll result in respect of Ordinary Resolution 8 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 8	25,398,509	100	0	0

(i) **Ordinary Resolution 9**

Proposed Shareholders' Mandate for Recurrent Related Party Transactions with Rapidpro Consulting Sdn Bhd.

The poll result in respect of Ordinary Resolution 9 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Ordinary Resolution 9	139,638,479	99.344	922,425	0.656

(j) **Special Resolution 1**

Proposed adoption of the new Constitution of the Company.

The poll result in respect of Special Resolution 1 was as follows:-

Resolution	For		Against	
	No. of shares	%	No. of shares	%
Special Resolution 1	140,559,004	100	0	0

**14. CLOSE OF MEETING**

There being no other business to be transacted, the Chairman declared the Meeting closed at 12.27 p.m. and the Chairman thanked shareholders and proxies for present at the Meeting and their participation and continuous support given to the Company.

**SIGNED AS A CORRECT RECORD**

[Original Signed]

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TAN SRI DATUK (DR.) RAFIAH BINTI SALIM  
CHAIRMAN